

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY 392nd  
MEETING OF THE**

**BOARD OF COMMISSIONERS February 26, 2015**

**A meeting of the Board of Commissioners of the Rhode Island Convention Center Authority (hereinafter referred to as "Authority", the "CCA" or the "Board") was held on February 26, 2015 pursuant to notice, at the Rhode Island Convention Center, One LaSalle Square, Providence, Rhode Island.**

**Board members present were George Nee, Paul MacDonald, Patrick Butler, Joseph DeLorenzo, George Nee, Tony Mendez, Dale Venturini, John Hooper and Jeff Hirsh.**

**Stan Israel and Letitia Carter were unable to attend.**

**Also present were James P. McCarvill, Executive Director, Bernie Buonanno, Kim Keough and Betty Sullivan, Rhode Island Convention Center Authority; Larry Lepore, John McGinn, Kathy Masino, Amanda Wilmouth, Rachel Martelly, Pamela Bacon and Cheryl Cohen from the complex; Dan Schwartz and Michael Gravison, The VETS; Martha Sheridan, PWCVB; Alan Chille; PHE; Kate Bramson, Providence Journal; Stephen Maceroni, PFM; Gene Bernardo and Norm Benoit, PSH; Robert Bromley, Senate Fiscal Office; Chantale Sarasin, House Fiscal Office; Bruce Leach, Legal Counsel and Eileen Smith, Recording Secretary.**

**Mr. Nee acted as Chair and called the meeting to order at the meeting**

**at 9:10 AM. Mr. Nee welcomed Mr. Buonanno back to the Board and reported that Mr. Buonanno is awaiting confirmation from the Senate.**

**Mr. Nee asked for a motion to approve the minutes of the January meeting. Upon a motion duly made by Mr. Butler and seconded by Mr. MacDonald it was unanimously**

**VOTED: to approve the minutes of the January Board Meeting.**

**Mr. Nee noted that we are not following the agenda order because we are waiting for Mr. Hirsh and Ms. Venturini before votes are taken for the Program Manager for the Garrahy Courthouse Garage Project and the Refunding Revenue Bonds. Mr. Nee said that both were in the building at an event where they were acting as judges. Mr. Nee asked Mr. McCarvill to present the financial information for the month of January. Mr. McCarvill reported that the Convention Center's net income for the month of January was (\$195,577) to budget and (\$182,171) to the prior year. Year to date net income for the Convention Center was (\$1,409,194) to budget and (\$2,205,597) to the prior year. Mr. McCarvill stated that lower revenue during the first quarter continues its negative impact. Mr. McCarvill noted that the Convention Center is no longer recognizing rent waivers as income and management fees are now taken as building expenses. Those two items are visible in the year to prior year variance. McCarvill stated that he is hopeful that the year will improve. Mr. McCarvill reported that for the month of January the Dunkin' Donuts Center's**

net income variance was (\$222,243) to budget and (\$145,899) to the prior year. Mr. McCarvill noted that year to date net income for the Dunkin' Donuts Center was \$88,469 to budget and \$247,089 to the prior year. Mr. McCarvill reported that the Disney Show Frozen was a huge success and is the primary reason for the Dunk's positive variance. He noted that concert activity has also improved. Mr. McCarvill warned that because of the blizzard substantial expenses have been incurred and will be reflected in future months. Mr. McCarvill reported that for the month of January the VETS net income variance was (\$20,754) to budget and (\$10,062) to the prior year. Year to date net income for the VETS was (\$110,009) to budget and (\$66,353) to the prior year. Despite those numbers Mr. McCarvill said that the VETS is on the right track. He noted that attendance is up and the number of events has increased but revenue is flat. Mr. McCarvill reported that the VETS could end the year on budget but for the future we need more revenue. Mr. McCarvill reported that the Convention Center Authority's net income variance for the month of January was \$42,163 to budget and \$14,857 to the prior year. Year to date net income for the Authority was \$289,012 to budget and \$500,243 to the prior year. Mr. McCarvill stated that consolidated net income variance for the month of January was (\$401,413) to budget and (\$298,486) to the prior year. Year to date consolidated net income was (\$1,149,422) to budget and (\$1,520,386) to the prior year.

Mr. Nee asked for a motion to accept the financial report as

presented. Upon a motion duly made by Mr. MacDonald and seconded by Mr. Butler it was unanimously

**VOTED:** to accept the financial report as presented.

Mr. Nee asked Ms. Keough to address the Board and present the marketing report. Ms. Keough reported that the Flower Show sold tickets for the first time on Ticketmaster. She noted that the numbers were up for the first few days but because of the weather the weekend was not as strong. Ms. Keough stated that banners will no longer be hung from the rear of the building or the garage.

Mr. Nee recognized Ms. Sheridan who began her update on marketing for the month of February. Ms. Sheridan stated that Synchronized Skating will bring millions of dollars into the area. She said that the local restaurants and Malls love it when we have large groups of young people with their parents or chaperones. Ms. Sheridan said that May will be a very productive month for the area because we have the Volvo races in Newport and attendees tend to hold elaborate events and parties. Mr. Nee asked if we align with the State economic plan. Ms. Sheridan reported that a new ambassador program is being formed to take advantage of untapped resources here in the State. Mr. MacDonald asked what happened to the previous program and Ms. Sheridan stated that it is very active but we are looking for other sectors that we don't currently have support. Mr. Nee complimented Ms. Sheridan on her presentation to State officials. He stated that the

**presentation was very well received.**

**Mr. Schwartz stated that he had one event that canceled because of the snow. He said that Craig Ferguson canceled because his date in Boston had been snowed out. Boston had our date available, therefore Mr. Ferguson will be performing in Boston. We are attempting to work with the promoter to arrange another date in the Spring.**

**Ms. Venturini and Mr. Hirsh arrived at 9:30 AM.**

**Mr. MacDonald reported that the Garrahy Courthouse Garage Committee had met on Tuesday to select a firm to act as our Program Manager for the project. Mr. MacDonald reported that Keough Construction, Hill International, Aspen Group and ABM were under consideration. He said that any one of the four could have been selected but after much debate it is our recommendation to negotiate with Keough Construction. Upon a motion duly made by Mr. Butler and seconded by Mr. DeLorenzo it was unanimously**

**VOTED: to enter into negotiations with Keough Construction to act as our Program Manager for the Garrahy Courthouse Parking Garage Project.**

**Mr. MacDonald thanked his Co Chairman Patrick Butler and the committee for their time and interest in this important project. Mr.**

**MacDonald also asked that the City be made aware of our actions.**

**Mr. Nee asked Mr. Bernardo to address the Board. Mr. Bernardo distributed a resolution (attached) authorizing the refunding of bonds.**

**He noted that this is just a refunding and similar to previous refunding. Mr. DeLorenzo asked why we are refunding these bonds and what will it cost to complete the transaction. Mr. Mendez asked what our current debt is and Mr. McCarvill stated that it is \$226,000,000 and our debt ceiling is \$310,000,000. Mr. Maceroni explained to Mr. DeLorenzo that this refunding is being done to lower our interest rate and provide some savings to the State. It will not increase our debt. Upon a motion duly made by Mr. Butler and seconded by Mr. Hirsh it was unanimously**

**VOTED: to approve the resolution authorizing the refunding of the Rhode Island Convention Center Authority's Revenue Bonds, 2015 Series A (Resolution attached)**

**Mr. Lepore said that the roofs of the building were closely monitored. Mr. Lepore noted that in the arena equipment is hung from the ceiling and with the extra weight from the snow there was some concern. Mr. Lepore reported that a drone was used to survey both roofs and then workers were lifted by crane to clear the snow. Mr. Lepore said that access was covered by snow and a crane was necessary. Mr. Lepore said that workers hand shoveled the snow for two days. Mr. Lepore noted that the weather has been a huge problem for the**

facilities and Providence College attendance has been most affected by the snow. Mr. Nee stated that Mr. Lepore had gotten ahead of the problem and done a great job under the circumstances. Mr. MacDonald asked if a snow blower could be used and Mr. Lepore said no because of the material of the roof. Mr. Nee said that he saw where Johnson & Wales had played a Hockey Game in the arena. Mr. Lepore said that there were about 2000 in attendance and that most of the attendance was mandatory by the School for various programs and classes. Mr. MacDonald congratulated Mr. Lepore for stepping up and taking care of problems.

Discussion ensued regarding snow removal from the garage and Mr. Lepore stated that it will be an important piece for the new garage.

Mr. McCarvill noted that Board members may have heard the inaccurate reporting that has been done about the Convention Center recently particularly the misidentification of debt service to pay off the cost of development as operating expenses. Mr. McCarvill said that the Economic Impact Study may address the misunderstanding. Mr. McCarvill said that he would like to roll out the study as soon as possible. Mr. Nee said that his preference would be to wait until a new Chairman is selected. It was stated that releasing the study at this time may appear reactionary. Mr. Nee encouraged a draft of the study be sent to the Governor, Speaker and Senate President.

Mr. Hooper said in light of the poor press that we have been receiving

**lately that we should initiate a policy whereby all expenses for travel and entertainment by Commissioners be reviewed by the Board prior to the expenditure. Upon a motion duly made by Mr. Nee and seconded by Mr. MacDonald it was unanimously**

**VOTED: to create a policy whereby all expenses for travel and entertainment by Commissioners be reviewed by the Board prior to the expenditure.**

**Mr. Nee asked if there was any other business. Hearing none he asked for a motion to adjourn. Upon a motion duly made by Mr. Butler and seconded by Mr. Mendez it was unanimously**

**VOTED: to adjourn at 10:40 AM**